

This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 SANTO DOMINGO 004805

SIPDIS

STATE FOR WHA, WHA/CAR, WHA/EPSC, INR/IAA, EB/ESC/IEC/EPC;
NSC FOR LATIN AMERICA ADVISOR; USSOUTHCOM ALSO FOR POLAD;
TREASURY FOR OASIA-MAUREEN WAFER; DHS FOR CIS-CARLOS
ITURREGUI
USDOC FOR 4322/ITA/MAC/WH/CARIBBEAN BASIN DIVISION; USDOC
FOR 3134/ITA/USFCS/RD/WH;

E.O. 12958: N/A

TAGS: [DR](#) [ECON](#) [EFIN](#) [ENRG](#) [EPET](#) [ETRD](#) [PGOV](#)

SUBJECT: DOMINICAN POLITICS II # 4: OUTSPOKEN REFINERY
DIRECTOR REPLACED AFTER GAS LEAK

REF: SANTO DOMINGO 4743

1. This is the fourth cable in a series of political
reporting on the second year of the administration of
Dominican president Leonel Fernandez:

Outspoken Refinery Director Replaced After Gas Leak

President Leonel Fernandez dismissed outspoken director of
the National Oil Refiner (REFIDOMSA) Aristides Fernandez
Zucco on October 25, 2005, ostensibly because of a gas leak
that affected a large sector of Santo Domingo. Fernandez
Zucco had emphatically denied the refinery was responsible
for the pungent smell of cooking gas that covered most of the
capital from early in the morning of October 24, but
subsequent investigation revealed that refinery employees had
tried to conceal errors in handling a gas additive.
Fernandez selected his energy advisor Eduardo Rodriguez to
replace Zucco, who had been a feisty critic of arrangements
for purchases of Venezuelan oil.

A Bad Odor, Everywhere

Much of western and central Santo Domingo awoke on Monday,
October 24 to pungent odors that seemed to indicate a massive
leak of cooking gas during the night. The odor was
characteristic of ethyl mercaptan, also known as ethanethiol,
a substance routinely added as a marker to petroleum gas,
which is itself odorless and colorless. The lack of
explanation in the media further spurred confusion, verging
on panic in some cases. There was speculation of an explosion
at REFIDOMSA and reports of a fire in a gas bottling plant in
northeast Santo Domingo. Secretary of Industry and Commerce
Javier Garcia reportedly replied to a reporter that the
refinery must be the source.

At about 8:30, refinery director Aristides Fernandez Zucco
telephoned the widely-watched broadcast on news channel CDN
with an emphatic denial that REFIDOMSA was responsible for
any leak. He told listeners that the REFIDOMSA general
manager had made a thorough investigation, starting at 6
a.m., that the routine cleaning with water of a small tank of
ethyl mercaptan on Sunday could not have caused the odors,
and that in any case the prevailing winds would not have sent
refinery gases over the city.

Concern and speculation increased. Many schools closed and
initial press reports suggested that children were dropping
right and left. In fact, although there were some admissions
at hospitals, few seemed directly related to gas toxicity.
During the course of the day military investigators detained
the refinery's general manager for several hours for
questioning. In the afternoon Environment Under Secretary
Zoila Gonzalez told the press that the refinery was the
source of the discharge. Director of Civil Defense Gen. Luis
Luna Paulino gave the same finding and recommended an
investigation. Armed Forces Minister Admiral Sigfrido Pared
Perez told local news that there was negligence involved, and
the individuals charge of washing the tank did not realize
that the northward passage of tropical storm Alpha over the
island during the weekend had disrupted weather patterns.
The prevailing breeze had reversed, so that the discharged
gas was carried northeast across the capital

At no time was there any serious threat of a Bhopal-type
incident of widespread toxic poisoning. Ethyl mercaptan is
non-toxic by inhalation at usual concentrations; the U.S.
OSHA standards limit it to 10 parts per million in industrial
environments and within cooking gas it is at 30 parts per
million. The Dominican National Emergency Commission
provided accurate information to the public, stating that
the gas was slightly toxic and could cause bronchial
irritation, respiratory difficulties, vomiting, and
conjunctivitis, in addition to headaches, nausea and loss of
consciousness.

Reversing Field, Too Late

- - - - -

A chagrined Fernandez Zucco made a public apology at a press conference the next day. He confirmed that the discharge and odor did come from REFIDOMSA and said that he had been deliberately misinformed by individuals who sought to escape responsibility for the incident. That same evening Fernandez signed a decree replacing Fernandez Zucco with Eduardo Rodriguez, previously the presidential advisor on energy.

Rodriguez, an expert on the petroleum industry, had served as coordinator of the government's Power Sector Recovery Committee, overseeing efforts to improve collections and sector performance with technical assistance from international donors. Earlier, Rodriguez had served as technical leader of the team that sought ways to reduce subsidies on cooking gas, an effort frustrated first by delays and ultimately by a political decision to avoid protests.

Some have speculated that the gas leak incident was a trap laid for Fernandez Zucco or at least an opportune moment to sideline him. Nicknamed &El Chato8 ("Pugnose8"), Fernandez Zucco had repeatedly gone public to oppose Venezuelan demands to change shipping arrangements for Venezuelan-financed crude (he lost), to quarrel with Venezuelan ambassador Belisario Landis, to denounce the involvement of Dominican ambassador Miguel Mejia for advocating the Venezuelan position, to deprecate the effectiveness of the Caracas accord and the Petrocaribe agreement, to blame refinery partner Shell for inefficiencies and withholding dividends from the government, and to advocate revising refinery ownership and management arrangements. President Fernandez had gathered all parties for conciliation on September 21 and had emerged with a joint promise to make maximum benefit of the 50,000 barrels per day potentially available to the Dominicans through Petrocaribe.

Many had thought that Fernandez Zucco would go, sooner or later; after failing to follow the basic management maxim of &trust but verify,8 on Monday morning &El Chato8 provided the opportunity when he contradicted Javier Garcia, one of the administration's inner circle. Among an urban population that considered itself half-poisoned already, there were very few defenders for him.

12. (U) Drafted by Jehan Jones, Michael Meigs

13. (U) This piece and others in our series can be consulted at our SIPRNET web site,
<http://www.state.sgov.gov/p/wha/santodmingo>
along with extensive other material.

KUBISKE